

HYLAN IS EXPECTED TO YIELD NON-TRANSIT DEMAND BY MILLER

Estimate Board Does Not Reject 14th St. Subway Bid as Planned.

GOES OVER TO MONDAY

Craig, Defiant, Is Ready to Turn Down Request to Supply Funds.

SITUATION IS IMPROVING

Chairman McAneny Asserts That Contracts Are Made and Cannot Be Vetoed.

Mayor Hylan, Comptroller Craig and other members of the Board of Estimate, which met yesterday, made statements denying Gov. Miller, but they did not definitely reject any of the bids for the Fourteenth street subway tunnels by following their usual course of referring the bids back to the Transit Commission.

One of the contracts carrying a low bid of \$1,149,186.10 from the Joslin Construction Company was marked on the calendar as "refer back to the Transit Commission," which would have meant a rejection. But the board, said to have been acting on the advice of the Corporation Counsel, decided to refer that contract, together with forty smaller ones, to the committee of the whole.

That committee will meet next Monday, at which time some action of immediate importance will be taken. The view generally taken is that Mayor Hylan will not risk removal by the Governor for "continued delay" in the opening of the Fourteenth street line. Several of the individual members of the board, however, are expected to continue attacking the Governor. Comptroller Craig at the meeting started the attack on the Governor by saying:

"I am ready to vote on these matters right now and again refuse the request of the Transit Commission."

Mayor Hylan was much milder, however, and seemed much pleased to advocate the suggestion of Borough President Riegmann of Brooklyn that the contracts go to the Committee of the Whole, where proper consideration might be given to them.

"The Comptroller finds fault because somebody wants to pay a little cheap politics," was the Mayor's comment.

Board Approves One Contract

The board approved without debate a contract entered into by the Transit Commission with Frederick L. Cranford, Inc., for the completion of the Lawrence street station and other improvements in the Brooklyn Rapid Transit Fourth avenue subway. It also appropriated \$342,600 for the work.

Urging the immediate re-rejection of the Fourteenth street contracts, Comptroller Craig said:

"In August, 1921, the board refused to approve these contracts. Now, after eight months, the Transit Commission engineers have discovered some work of an emergency character. The Transit Commission has been dead to the world in everything except the readjustment and the increased fare proposition."

"The Transit Commission complained to the Governor and the Governor has made public their complaint, putting the blame on this board and there is not a word of truth in it."

"These contracts ought to be readjusted," ventured the Mayor. "Some of them have been and the result has been that much lower bids have been received."

"I don't think we should trifle with this situation," broke in the Comptroller. "This is an effort of the Transit Commission to get an all-out for its own benefit."

William G. Fullan, associate counsel of the Transit Commission, said that body had not been to blame for the delay in the work. Some of the contracts had been submitted in August, but others had been sent to the Board of Estimate in February, and eight months had not elapsed since then.

"We don't approve these contracts today because they will be asking for our removal," laughed the Mayor as they went over until Monday.

McAneny Sees Action

Mr. McAneny hailed the action of the Board of Estimate as indicating a probable change of attitude on the part of that body under the vigorous prodding to which it had been subjected by Gov. Miller.

Mr. McAneny was pleased when informed that the board had referred to the Committee of the Whole for action next Monday certain contracts which had been scheduled previously for reference "back to the Transit Commission." Perhaps the most important of these was the \$1,149,186.10 contract of the Joslin Construction Company for the building eastward from Meersole street, Brooklyn, of an important section of the Fourteenth street-Eastern district subway.

This action, under the terms of the contract signed nine years ago, is to be of elevated construction, the R. R. T. having refused more recently to incur the added expense involved in substituting subway construction. The Board of Estimate on April 7 ordered this contract referred back to the Transit Commission with a memorandum stating the board's refusal to extend the line as an elevated line.

A like course was taken with the ten comparatively small but vitally important contracts affecting the progress of the Fourteenth street-Eastern district line, which Mr. McAneny in his letter to the board on April 5 had listed as "key" contracts.

Mr. McAneny's statement concerning

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15 Mile Long Petition for Old Liberty Bell

CHICAGO, April 21.—A petition which, it is declared, will be between three and four million school children in seven mid-western States, requesting city officers of Philadelphia to permit the display of the Liberty Bell at the Chicago Pageant of Progress, July 29 to August 16, is to be prepared immediately.

The petition will be circulated in every school in Illinois, Wisconsin, Michigan, Indiana, Missouri, Kentucky and Iowa.

The petitions when assembled here will be pasted together in one roll, incased in a mahogany casket and placed on an observation car for the trip to Philadelphia.

DR. GRANT IN CLASH WITH CHURCH VESTRY

Ascension's Treasurer, Burton F. White, Sends His Resignation to Rector.

ANOTHER READY TO QUIT

Trouble Caused by Expenses Rising Much Faster Than Income.

Differences of opinion over the financial policy of the Church of the Ascension, Fifth avenue and Tenth street, has resulted in a serious break between the vestry and the Rev. Percy Stickney Grant, the rector. Burton F. White, church treasurer for four years, has offered his resignation, and another member of the vestry, a former Government official, has announced that he also will resign.

The disunion, which has been smoldering since last October, when charges were made that the church was living beyond its income, blazed up at Thursday's vestry meeting. The gathering was described as stormy, with hot words passing between Dr. Grant and at least one vestryman.

Several members of the vestry suggested retrenchment all along the line. At first, it was said, Dr. Grant received \$5,000 a year, but later he became so hostile that Mr. White said he would resign.

The former Government official who said he was resigning, is understood to have taken exception to the manner in which Dr. Grant treated the suggestions of the treasurer, which he felt were sound and for the good of the church. A vote in the vestry yesterday that Dr. Grant persist in conducting the church affairs on a basis of twelve years ago and that while the overhead, now \$25,000 a year, was constantly mounting, the church's income had not increased materially. The church, however, is solvent and independent in regard to indebtedness. Dr. Grant's salary, moreover, is not involved in the present controversy.

The offering of his resignation by Mr. White, who had just returned from a trip to Europe, precipitated a heated discussion at the meeting, but adjournment was taken without any action being taken on the resignation of Dr. Grant and words passed that angered the vestryman.

"No man, not even a clergyman," said the vestryman, "can get away with that."

Mr. White, who is proprietor of the Hotel Borsini in Brooklyn and the Hotel Legation in West Fifth street, last night admitted that he had sent his resignation. Dr. Grant insisted there was nothing in the nature of a disunion.

LEAVES \$10,000 TO SON

LOST TO HER 33 YEARS

F. C. Trabee of Buffalo Will Share Mother's \$500,000.

LOS ANGELES, April 21.—Requests of about \$20,000 to institutions, a like sum to relatives and friends and a \$10,000 legacy to the State of California, were made for her thirty-three years were provided in the will of Mrs. Harriet Ada Webb, who died recently in Pasadena, filed for probate today.

The son is Frank Curtis Trabee and his last known address was Buffalo, N. Y., according to the will, which relates he had been separated from his mother for many years.

The personal bequests included \$30,000 to Mrs. Grandison Underhill, niece; \$20,000 to Mrs. E. M. Griffiths, niece; and Henry Allen Ten Eyck, nephew, all of Albany, N. Y.

Princeton Professor Produces

Cold Light Like That of Firefly

Special Dispatch to The New York Herald.—PRINCETON, April 21.—Prof. E. Newton Harvey of Princeton University announced today that he has made a discovery by which cold light may be obtained to give continual incandescence, with its firefly-like quality, but without the heat of a firefly. It is this light that emanates from the bodies of the firefly and similar luminous insects. In many organisms Dr. Harvey has found that the process of light giving is a continuous one, but without any accompanying heat. In many cases the accompanying heat does not exceed one hundredth of a degree.

Dr. Harvey said that to make this light of commercial and practical advantage it must be made such that it is both continuous and brighter than at present. He says, has been found possible by the reduction of oxytocin through the dissolving action of certain metals. He has found that by placing the metal in an oxytocin solution containing the enzyme, which is an un-

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38 PLEAD GUILTY IN DAY, INCLUDING TWO SHAT-TRUCK BURGLARS

Record in Banton Drive as Criminals Try to Avoid Heavy Terms.

ROGAN GETS 20 YEARS

McIntyre Gives Long Sentence to Confessed Tea-room Slayer.

TEN YEARS FOR ANOTHER

War Record Helps Veteran—Washington Square Thieves to Be Sentenced Friday.

The courts of New York county established a record yesterday when thirty-eight prisoners, including two accused of the robbery of the home of A. R. Shattuck in Washington Square, pleaded guilty. So far as could be learned, this is the largest number of pleas entered in a single day, and resulted from District Attorney Banton's efforts to clean up the calendar so that criminals may be brought to trial within three days after arrest.

The crimes to which thirty-eight admitted their guilt were: Robbery, 3; burglary, attempted, 1; burglary, 3; larceny, attempted, 4; unlawful entry, 3; larceny, 6; carrying pistols, 3; assault, attempted, 1; forgery, 2; abandonment, 1.

The men who pleaded guilty to the Shattuck burglary are Eugene Diastet and Joseph Egan. The five men under indictment, Diastet was captured shortly after the crime, and Bagnolet was caught some time later near Plainfield, N. J. The robbery occurred on the afternoon of April 2. Five men entered the house through a coal hole, locked Mr. and Mrs. Shattuck and eight servants in a wine vault and escaped with almost \$100,000 in jewelry and other valuables.

Judge McIntyre imposed heavy sentences on bandits and gunmen convicted in his part of "General Sessions." He sentenced James Rogan, 22, 10 years to life, to twenty years in Sing Sing for the murder of John J. Gillen, November 19 last in a Greenwich Village tea room. Rogan shot Gillen in a drunken brawl. In passing sentence the judge said:

"The defendant was in one of the hell holes of New York. Such places should be closed. The people of New York have a silly notion that because they don't like prohibition they can violate the law. If they go 100 miles away from New York they will find the majority of the people of the country are in favor of it. It is a wholesome idea and will save the youth of this country."

Judge McIntyre also sentenced Thomas Gilmarin, 21, of 1255 Second avenue, to from ten to twenty years for killing Vincent Joseph, a Chicago gangster, in a fight in the city of Chicago, November 19 last. The plea that probably saved Gilmarin from a more severe penalty was that he had served eighteen months in France with the 15th Infantry, Dominico Galati, 36, of 121 Chrystie street, received a similar sentence. He shot and killed an Italian grocer at 190 Chrystie street December 2 and was arrested in Chicago on a description given by the grocer's neighbor.

Judge Talley, sentencing Thomas P. Gibbons, 25, to the penitentiary, said: "Every policeman has the right of protection. If a man is carrying a gun, he must stand by the police and make them understand a man can not escape the consequences of an assault on a police officer."

Gibbons was indicted for assaulting Patrolman James J. Shanley of the Fifth street station and breaking his jaw.

Judge Crain sentenced Max Weiner, 22, to an indeterminate term in Elmer. Weiner was convicted of attempting to rob a millinery store at 1211 Broadway, wearing a mask and carrying a pistol. Probation officers reported that he was an amateur, who had a previous good record.

The fact that about two-thirds of the defendants arraigned in the courts pleaded guilty was accepted by District Attorney Banton as an indication that the world has discovered their chance of receiving a lighter sentence are enhanced by waiving their right to trial.

In the Kings County Court three vestrymen were given the morning on a charge of holding up the night clerk in the Commercial Hotel, 254 Fulton street, Brooklyn, were sent to Sing Sing for terms of from seven and a half to ten years each. They are Ralph Bright, 32, Second street; Patrick Byrne, 64 Fourth place, and Charles Forbes, 52 Columbia street, all of Brooklyn. They pleaded guilty to robbery in the second degree.

Dying Soldier Urged Harvard Club to Sing

WASHINGTON, April 21.—When the Harvard Glee Club made a round of the soldier hospitals here yesterday and did its bit to cheer the way for the sick and disabled it came to one where a soldier lay dying.

There was some question whether the club ought to sing. Somebody suggested that the decision be made by the soldier.

"Sure, let 'em sing," said he, "it will be a happy memory to carry across with me."

So the club gladdened the invalids with song and harmony for an hour and none responded more eagerly than the dying soldier.

To-day he was still alive and the doctors say that maybe he won't die for some time.

BONUS NOTES BASED ON FOREIGN DEBTS

URGED BY RAIDERS

This Plan Grows in Favor Among Gratuity Promoters in Senate.

ARE STILL IN HAZE

Finance Committee Republicans Meet To-day to Discuss Projects.

WILL HACK OUT A BILL

House's Certificate Loan Scheme Considered as Good as Dead.

By LOUIS SEIBOLD.

Special Dispatch to The New York Herald.

New York Herald Bureau, Washington, D. C., April 21.

Promoters of the bonus raid on the public Treasury, both in and out of the American Legion are losing patience with the Senate. Following the example set by Commander MacNider of the legion, bonus propagandists have set up a clamor for immediate action on the \$5,000,000,000 scheme which must be paid by the people in the form of taxes.

Mr. MacNider addressed a telegram to President Harding while the bonus raid was before the House practically ordering him to use his influence on Congress to advance the pending measure ahead of any other class of legislation.

Bonus propagandists now have turned their attention to the Senate and, according to one of the official spokesmen for them, "there must be no more nonsense about this thing or Senators who want to be reelected will lose a lot of votes they will need in the Congressional contests."

Tendency Toward Quick Action.

While no response has been made to this declaration, there developed among bonus Senators to-day a decided tendency to speed up action in the Finance Committee, of which Senator McCumber of North Dakota—a candidate for reelection, by the way—is chairman. Other Republican members of the committee who are candidates for reelection are La Follette (Wis.), McLean (Conn.) and Sutherland (W. Va.).

Senator McCumber said this afternoon that the Republican members of the committee would get together tomorrow morning and discuss the various projects—most of which have been rejected as impractical by the President and Secretary Mellon—for financing the bonus scheme. As far as could be learned to-day the bonus Senators have not found a way out of the haze in which they have been wandering in quest of a plan for paying the bill of the bonus that will be acceptable to President Harding and the executive branch of the Government.

Bonus Senators who are candidates for reelection and their more fortunate associates who will not be compelled to seek votes this year are exerting every pressure on the Finance Committee to produce a bill that will stand the test of legislative analysis even if it fails to approximate the requirements set up by President Harding.

Bill of Some Sort Expected.

That some sort of a bonus bill will be prepared is the impression of Senators both for and against the scheme to bring more taxes out of the farmer, the industrial worker and business generally to reward further the service men clamoring for Government money.

In the calculations of these Senators the scheme to order the Treasury to issue short term certificates redeemable when foreign debtors nations meet their obligations seems to be looming out of the confused mass of intangible or impractical suggestions.

Next in preference is the sales tax, which is not regarded with favor by the agricultural bloc and would certainly fail to receive the approval of the politically panic-stricken members of the lower house, who ignored the advice of the President and Secretary Mellon in putting through the makeshift certificate loan plan.

This scheme is as good as dead in the Senate. It is understood that only two men of the Finance Committee persist in urging it as the most convenient way out of the existing middle. These are Senators McCumber and La Follette, both candidates for reelection. Even the sponsors for the certificate loan venture in the House now admit its impracticability.

Expedient for Passing Buck.

In a speech in Philadelphia the other night Mr. Forney admitted it was merely an expedient designed to give the Senate something to work on and presumably enable the House to pass the buck to the other wing of the Capitol. Mr. Forney expressed the opinion that the Senate would amend the bill to provide for the use of the foreign debt despite the positive statement made by Treasury officials that money received from that quarter could not be used for bonus purposes without repeating existing laws.

The foreign debt scheme nevertheless

Continued on Page Two.

BOLSHIEVIKI IN CUBA TRYING TO ENTER U. S.

American Consul at Havana Reports Thousands of Aliens Preparing for Dash.

GOVERNMENT IS ACTING

Demand on Island Republic to Prevent Its Use as Base Is Expected.

Special Dispatch to The New York Herald.

New York Herald Bureau, Washington, D. C., April 21.

Thousands of Russian Bolsheviks and other aliens are mobilizing in Cuba, planning to get into the United States by smuggling, according to a report submitted to the State Department to-day from the American Consul at Havana.

The report caused much excitement among the Government officials, and will be transmitted at once to the Bureau of Immigration. So serious is the situation that the indications are this Government will take up the matter at once with the Cuban Government with a view to blocking the plans of the Bolsheviks.

This report bears out contentions made in the Senate a few days ago by Senator Ewan (Va.) and other Senators to the effect that Cuba is being used as a base for smuggling aliens into this country. After the facts were presented to the Senate that body adopted an amendment to the Immigration act making it mandatory for an alien to live in Cuba or any other country contiguous to the United States five years before he can be admitted to this country.

The Senate amendment increasing the required residence of aliens in Cuba, Canada and other adjoining countries from one to five years followed the report of the American Consul at Havana that the Cuban Government is endeavoring to fill the bill which provided for only one year residence.

Aliens unable to come from countries because of the quota were filled or because they were barred for other reasons were colonizing in Cuba and Mexico, and especially in Cuba. They were willing to undertake the one year residence in Cuba if necessary, but they were anxious to slip into the United States by way of the Mexican Gulf coast. Investigations by THE NEW YORK HERALD show that a regular business of smuggling and illicit immigrant smuggling went hand in hand; also that agencies for handling illicit immigrants are established in Cuba and in coast cities in the United States. It was suspected that the agencies for bringing them over extended to New York. It is apparent from the investigations that money is not lacking to bring over the immigrants and get them started on their way here.

W. W. Husband, Commissioner General of Immigration, said to-night he has not received any official report from the State Department concerning the mobilization of aliens in Cuba preparatory to entry into the United States. However, Mr. Husband declared the latest report to his bureau shows that there are now about 5,000 aliens in Cuba desirous of entering this country as soon as possible.

HAVANA, April 21.—More than 2,500 Russians are concentrated in Havana, but what percentage of them is not known.

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THOUSANDS OF CLERKS TO LOSE FEDERAL JOBS

Post Office Department Starts Cut to Pre-War Level.

Special Dispatch to The New York Herald.

New York Herald Bureau, Washington, D. C., April 21.

Removed offices are being made to reduce the force of clerks in Washington to something nearer pre-war basis. The first step in the new move was made today when thirty clerks were dismissed from the Post Office Department. It was said thousands of others will be dismissed between now and the end of the fiscal year, June 30.

There are 20,000 clerks still in departments and bureaus. Before the war there were less than 10,000. At the time of the armistice there were 12,000. The new orders to department heads call for the dismissal of temporary clerks and those who are inefficient. The dismissals to-day at the Post Office Department were said to fall within this classification.

MR. GILLESPIE, DIRECTOR OF 'AGENCY HAVAS,' PARIS, THE WORLD RENOWNED ADVERTISING AND NEWS AGENCY, HAS ARRIVED HERE ON A GENERAL INQUIRY UPON THE BEST MEANS TO ESTABLISH BUSINESS CONNECTIONS BETWEEN AMERICAN AND FRENCH FIRMS, ESPECIALLY THROUGH ADVERTISING.—Adv.

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The foreign debt scheme nevertheless

Continued on Page Two.

GERMANY ACCEPTS TERMS; RUSSIA WILL PAY ITS DEBT, BUT DEMANDS RECOGNITION

ALLIED LOAN SOUGHT IN SOVIETS' ANSWER

Demands of Allies Agreed To With Plea for Aid in Its Economic Recovery.

GERMANS TO STAND ASIDE

Won't Participate in Russian Problems, but Russo-German Treaty Stands.

Genoa, April 21 (Associated Press).

The text of the Russian reply to the Entente Powers follows:

The Russian delegation has examined with the greatest care the proposal of the allied Governments, as set forth in the official note of April 15, and at the same time has consulted with its Government.

The Russian delegation is of opinion that the present economic situation in Russia and the circumstances leading to it amply justify, in respect to Russia, the complete remission of all her debts as set forth in the above mentioned note by recognition of her counter claims.

However, the Russian delegation is ready to go a step further in the quest for a solution and adjustment of differences and to accept articles 1 and 2 and item 1 of the above mentioned annex, provided that war debts and arrears in interest, as well as postponed interest on all debts, are written down and financial assistance is given Russia to help her to recover from her present economic state in the shortest possible time.

[Articles referred to are as follows: "Section 1.—The creditor Allied Governments represented at Genoa cannot admit any liability regarding the claims advanced by the Soviet Government."

"Section 2.—In view of the serious economic condition of Russia, however, such creditor Governments are prepared to write down the war debts owing by Russia to them by a percentage to be determined later; and the countries represented at Genoa would be prepared to consider not only the postponement of payments of interest upon financial claims but also the remission of some part of the arrears of interest or postponed interest."

Regarding Article 3, Part 2, on the subject of the above conditions, the Russian Government would be ready to restore to their former owners the use of property, nationalized or reserved, under the reservation that in the event of that being impossible, satisfaction shall be given to the legitimate claims of the former owners, either by mutual agreement arrived at indirectly between both parties or in virtue of arrangements to be worked out during the present conference.

[Section 3 reads: "It must be definitely agreed, however, that there can be no advance made to the Soviet Government against, first, either debts and financial obligations due to foreign nationals, or, second, the right of such nationals to demand compensation for their property and compensation for damage or loss in respect thereof."]

Financial assistance from foreign sources is absolutely vital for the economic reconstruction of Russia, and so long as there is no prospect of reconstruction forthcoming the Russian delegation does not see its way to saddling its country with debts of which it would not be able to acquit itself.

The Russian delegation wishes it clearly understood, notwithstanding the fact that it appears obvious in point of right, that the Russian Government cannot assume any obligation with respect to the debts of its predecessors until it has been officially recognized *de jure* by the interested Powers.

Hoping you will find the foregoing proposals will be an adequate basis for a resumption of discussions, we have the honor to be, Your very obedient servant,

TEHTCHERIN.

TEXT OF THE GERMAN REPLY TO CONFERENCE

Agree to Take Part in Discussing Russia Only if Asked.

Genoa, April 21 (Associated Press).

Following is the text of the note addressed to Premier Facta of Italy, chairman of the economic conference, in reply to the communication to the German delegation condemning the signing of the treaty at Rapallo last Sunday by the German and Soviet Russian Foreign Ministers.

In response to the note of April 15, signed by you and the presidents of the French, British, Japanese, Belgian, Czechoslovak, Polish, Serb, Croat and Slovene, Rumanian and Portuguese delegations, I beg to remark the following:

"Germany has recognized the Russian Soviet republic for several years. A settlement had, however, to be made between the two countries with regard to the consequences arising from the state of war before it was possible to renew normal diplomatic relations. The negotiations carried on between the two Governments

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GERMANY ACCEPTS TERMS; RUSSIA WILL PAY ITS DEBT, BUT DEMANDS RECOGNITION

Morgan May Go Abroad to Aid Loan to Germany

FORMAL invitation to go to Europe and aid the allied bankers in organizing an international loan to Germany has been received by J. P. Morgan. Mr. Morgan admitted yesterday that he had received the invitation, but stated he would accept it only if on due consideration he thought he could be useful to the Reparations Commission. The Reparations Commission, it is stated, is particularly anxious to have Mr. Morgan act personally. Mr. Morgan said that if the firm accepted the invitation he would go to the conference table himself. He intimated, however, that the United States Government would have to be consulted before formal acceptance of the invitation was made.

FRANCE TO OPPOSE DECISIONS AT GENOA

Discontent at Russo-German Pact Affects Usefulness of the Delegation.

SOVIET EVASIVE, IS VIEW

Poincare Declares 'Surprise' Treaty Is Illegal—Fears Reparations Failure.

Special Cable to The New York Herald.

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Genoa, April 21.—The conference has emerged from the tunnel, for Germany has retired from the discussion of all Russian questions dealt with in her treaty with the Soviets, and Russia has made a reply to the conditions laid down by the allied experts which has been characterized as satisfactory and a hopeful basis for the continuance of negotiations.

Debt Issue to Be Decided.

The next stage in the discussions is to determine how much of Russia's debts and interest is to be underwritten, and what form the compensation to foreign nationals is to take. While the Russians surrender on counter claims they press for "adequate financial help within the shortest possible period" and for *de jure* recognition. They word this latter demand shrewdly.

"The Russian delegation wishes also to make it clear, although it seems self-evident, that the Russian Government could not admit liability for the debts of its predecessors until it has been formally recognized *de jure* by the Powers concerned."

If Russian negotiations culminate in signing a treaty that in itself will be recognition of the Russian Government, for a treaty cannot be signed with a government which is unrecognized. The Russians ask *de jure* recognition, which is no more than what the conference promised, plus the opening of diplomatic relations.

Russia's answer was stated briefly in a letter from Georgievitch Tchitcherine to Mr. Lloyd George. A formal and lengthy document is also to be handed over to the political subcommittee. This enters into the detailed and theoretic aspects of the Russian Government's position.

The British went a long way to-day in showing their sympathy for Russia's difficulties in trying to reconcile their sovereignty with demands for the return of property confiscated by the State. "Where the property has been nationalized it is a question of restoring freehold rights," was the admission of an English official. The British also declared that the Russians made "telling use" of historic precedents to justify them in paying no compensation. One of these was America's failure to pay slave holders when slavery was abolished by President Lincoln's proclamation. The other was the adoption of prohibition without compensating the owners and manufacturers of liquor.

Russia's Reply Accepted.

The Political Subcommittee met this afternoon and accepted Russia's reply as the basis of future dealings. It then disposed of immediate difficulties by submitting the question to a special body of experts. Germany was not present. Pursuant to a program arranged at a meeting of the remaining members of the subcommittee this morning seven experts were named. Each of the convening Powers has a representative, the neutrals (Holland), one and one (Czechoslovakia) is the appointee of the Little Entente.

With so much headway made Genoa to-day shows a greater degree of tranquillity. It was hardly expected that the conference could come to the stage of accomplishing anything until now

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NOTE ACCEPTABLE

Soviet Refers to Seizure of Liquor in U. S. as Argument Against Paying for Property

DEBT IS A BIG ISSUE

Surrendering of Counter Claims Carries Plea for Financial Aid.

GERMANS FALL IN LINE

Will Not Sit in Discussions of Soviet Affairs—Genoa Parley Cloud Fading.